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FROM THE AMERICAN PEOPLE

COMBATING CORRUPTION IN THE PUBLIC SECTOR



Photo by Sarah Watson

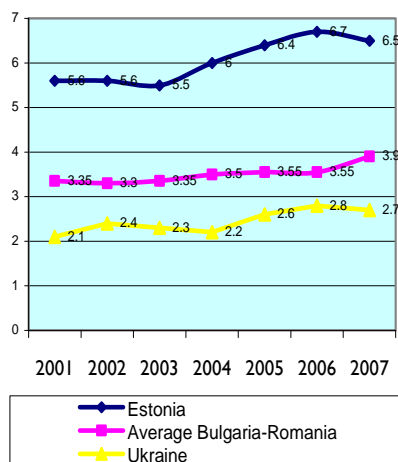
Nadiya Lushchak, Chief of Staff of Ivano-Frankivsk Oblast Court of Appeals demonstrates the benefits of automated case management system.

THE CHALLENGE

Sixty-seven percent of Ukrainians who have dealt with government officials say that they have been directly involved in corrupt transactions of some sort. Twenty-six percent indicate that they have given a bribe over the past year.

Corruption Perception Index for Ukraine

Source: Transparency International



A Corruption Perception Index relates to perception of the degree of corruption as seen by business people, academics and risk analysts, and ranges between 10 (highly clean) and 0 (highly corrupt)

OVERVIEW

While Ukraine's leadership has recognized that corruption is a problem within government there had not been a comprehensive effort to combat it. International organizations and experts have repeatedly highlighted specific sectors within the government as significant sources of corruption, constraining economic investment and growth and limiting access to fair and equal opportunity and justice for the Ukrainian people. In November 2005 the U.S. government's Millennium Challenge Corporation named Ukraine as a candidate country to participate in its Threshold Country Program, after which Ukraine developed and submitted a program that addressed some of the more pressing corruption issues plaguing Ukraine. Ukraine's Threshold Program, approved by the MCC in May 2006 and formally agreed upon by Ukraine and the U.S. in December 2006 is an aggressive, multifaceted program that will initiate the necessary steps to spur efforts to attack public sector corruption.

OUR PROGRAMS

Strengthen Civil Society's Monitoring and Exposure of Corruption

Thousands of Ukrainian nongovernmental organizations (NGOs) now actively represent the interests of their constituencies, promote public policies, monitor government performance, and successfully advocate for reforms, and the mass media enjoy fundamental press freedoms and offer the public a range of sources of professional news and information. Nonetheless, Ukrainian civil society and media still are not meeting their full potential as effective monitors of government and advocates for reform. This component aims to enable civil society and the mass media to be more effective monitors of government corruption and advocates for reform.

Judicial Reform

Critical to efforts to fight corruption is increasing the level of transparency in the delivery of justice by introducing permanent improvements in key legislative, procedural and institutional arrangements. The proposed activities will also contribute to fostering a more professional cadre of administrative judges, court personnel, and notaries. The goal of this component is to increase transparency in the judicial sector.

Government Monitoring and Enforcement of Ethical and Administrative Standards

Currently Ukraine has no general conflict of interest legislation for government officials except for certain provisions that limit business opportunities for family members of officials. Additionally, although there are requirements that candidates for public office and civil servants declare their assets, the methodology has flaws and omissions, and submitted declarations are rarely checked and even more rarely are sanctions imposed for falsification. This component will create systems to strengthen accountability among government officials and enable the Government of Ukraine to better monitor and enforce ethical and administrative standards.

EXPECTED RESULTS

- The perceived level of corruption in all areas is reduced by 10 percent.
- Experiential corruption in all areas is reduced by 20 percent.
- 30 percent of NGO advocacy campaigns result in government reforms.
- The number of cases brought to the European Court of Justice is reduced by 30 percent.
- The number of notary violation findings that result in sanctions or prosecutions is increased by 30 percent.
- Compliance with procedures in ministries with an Internal Investigative Unit is increased (target to be determined upon establishment of the Internal Investigative Unit).
- The number of users who indicate that they made unofficial payments in areas of customs, transportation, construction, land usage and ownership, and municipal services is reduced by 20 percent.
- The percentage of students tested for university admission is increased to 100 percent.

Implementing Partners

Managed by the United States Agency for International Development (USAID)

The program is being implemented by:

- U.S. Department of Justice
- Management Systems International
- Chemonics International, Inc.
- Ukrainian Commercial Law Center
- Booz Allen Hamilton
- American Institute for Research

**For more information, please contact
USAID/Ukraine Development Outreach & Communications,
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<http://ukraine.usaid.gov>**

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Streamlining and Enforcing Regulations

One of the most widespread corruption practices in the area of trans-border transportation relates to the significant share of shadow shipments that occur with the compliance of corrupt border officials. A single integrated database with user access by different agencies will make the process more transparent. Complicated, confusing and overlapping systems providing construction permits, delivery of municipal services, land and property ownership and usage are sources of significant corruption. Both private individuals and legal entities must complete an enormous number of steps to start any construction activity. The processes are neither transparent nor defined in time, and there is clear evidence of corruption at all steps. This component will change the legislative and regulatory framework for property transactions, reform the permit system, and streamline lines of responsibilities and procedures in order to reduce corruption in these areas.

Combating Corruption in Higher Education

Recognizing the importance of reducing corruption within the educational system, a national testing center, the Ukrainian Center of Evaluation of Education (UCEE), has been established. Additional work is required, however, to fully implement the external testing system as well as to ensure its integrity. The goal of this component is to reduce corruption in higher education by establishing a legal framework requiring a minimum test score for admission to universities; developing a functioning security system for test results; and ensuring that 100 percent of students are tested and the test centers are fully operational.

PROGRAM HIGHLIGHTS

- An awareness campaign on the extent of corruption in Ukraine exposed 12.5 million Ukrainians to the issue. Through work with Ukrainian civil society organizations, advocacy campaigns have been carried out across Ukraine and have resulted in 45 improvements to government procedures and policies nationwide.
- The second national competition for Best Investigative Journalism resulted in 600 submissions and 13 prizes.
- The High Qualifications Commission and the Council of Judges approved a merit-based system of selection of judges.
- The Ministry of Justice agreed to support broad legislative reforms in the system of notaries. The Law amending the Law *On the Notary* was adopted giving private notaries the same powers as public ones.
- TCP implementers and stakeholders from the Ukrainian judicial system have developed a new standardized testing mechanism for the selection of judges, which has been piloted in Donetsk.
- Court automation is currently being implemented in seven pilot courts across Ukraine that will enable the random assignment of cases as well as online access to court decisions.
- In December 2008 a unified registry of state enforcement procedures went live, rendering the process of judicial enforcement more transparent and ensuring more effective monitoring of enforcement officers' activities.
- 25 one-stop shops for businesses are simplifying and streamlining the process of applying for construction permits, reducing opportunities for corruption in the permitting process.
- Government revenues have markedly increased as a result of MCC-supported customs reforms; 50% of the GOU's tax revenue comes from customs.
- Conditions for admission were developed for the Ministry of Education as part of admissions reforms requiring external testing for matriculating university students. In spring 2008, 460,000 students took new standardized university admissions exams on a variety of subjects.